

Legislative Audit Division

State of Montana



Report to the Legislature

November 2000

Performance Audit

Domestic Violence Program

**Child & Family Services Division
Department of Public Health and Human Services**

This report contains recommendations addressing improvements within the Domestic Violence Program including:

- < Compliance with statutes.**
- < Administrative rule development.**
- < Safety and health requirements.**
- < Monitoring procedures.**

**Direct comments/inquiries to:
Legislative Audit Division
Room 160, State Capitol
PO Box 201705
Helena MT 59620-1705**

00P-15

Help eliminate fraud, waste, and abuse in state government. Call the Fraud Hotline at 1-800-222-4446 statewide or 444-4446 in Helena.

PERFORMANCE AUDITS

Performance audits conducted by the Legislative Audit Division are designed to assess state government operations. From the audit work, a determination is made as to whether agencies and programs are accomplishing their purposes, and whether they can do so with greater efficiency and economy. In performing the audit work, the audit staff uses audit standards set forth by the United States General Accounting Office.

Members of the performance audit staff hold degrees in disciplines appropriate to the audit process. Areas of expertise include business and public administration, statistics, economics, computer science, and engineering.

Performance audits are performed at the request of the Legislative Audit Committee which is a bicameral and bipartisan standing committee of the Montana Legislature. The committee consists of six members of the Senate and six members of the House of Representatives.

MEMBERS OF THE LEGISLATIVE AUDIT COMMITTEE

Senator Linda Nelson, Vice Chair
Senator Reiny Jabs
Senator Ken Miller
Senator Barry "Spook" Stang
Senator Mike Taylor
Senator Jon Tester

Representative Bruce Simon, Chair
Representative Beverly Barnhart
Representative Mary Anne Guggenheim
Representative Dick Haines
Representative Robert Pavlovich
Representative Steve Vick

LEGISLATIVE AUDIT DIVISION

Scott A. Seacat, Legislative Auditor
John W. Northey, Legal Counsel
Tori Hunthausen, IT & Operations Manager



Deputy Legislative Auditors:
Jim Pellegrini, Performance Audit
James Gillett, Financial-Compliance Audit

November 2000

The Legislative Audit Committee
of the Montana State Legislature

We conducted a performance audit of the Domestic Violence Program within the Child & Family Services Division at the Department of Public Health and Human Services. The Domestic Violence Program is responsible for awarding grants from federal and state funds to private, nonprofit organizations that provide safety, protection, and services to victims of domestic violence and their dependents.

This report focuses on addressing improvements to program operations. The written response from the department is included at the end of the report.

We appreciate the cooperation and assistance of department staff and local programs during the audit.

Respectfully submitted,

(Signature on File)

Scott A. Seacat
Legislative Auditor

Legislative Audit Division

Performance Audit

Domestic Violence Program

Child & Family Services Division

Department of Public Health and Human Services

Members of the audit staff involved in this audit were Susan Jensen, Jim Nelson, and Mary Zednick.

Table of Contents

	List of Tables	Page iii
	Appointed and Administrative Officials	Page iv
	Report Summary	Page S-1
Chapter I - Introduction	Introduction	Page 1
	Audit Objectives	Page 1
	Audit Scope	Page 1
	Local Programs	Page 2
	Grant Contract File Review	Page 2
	Program Management, Administration, and Monitoring	Page 2
	Compliance	Page 3
	Management Memorandum	Page 3
	Report Organization	Page 4
Chapter II - Background	Introduction	Page 5
	Background	Page 5
	Domestic Violence Grant Awards to Local Programs	Page 6
	Domestic Violence Grant Awards for Fiscal Years 1995-96 through 1998-99	Page 7
	Montana Coalition Against Domestic Violence and Sexual Assault	Page 9
	Additional Funding Sources	Page 9
	The Montana Board of Crime Control	Page 9
	Sexual Assault Grant Program	Page 11
	Current Local Programs and Grant Awards	Page 11
	Other Financial Support for Local Programs	Page 13
	Services Provided by Local Programs	Page 13
	Other Funding for Victims	Page 13
Chapter III - Administration and Monitoring of Grants	Introduction	Page 15
	Statutes and Administration of the Domestic Violence Program	Page 15
	Grants Made to Coalition Do Not Comply With Statute	Page 16
	Statutory Differences Are Not Reflected in Rules or in Administrative Practices	Page 17

Table of Contents

	Difficulties Meeting Requirements	Page 19
	Licensure of Shelters	Page 19
	General Liability Insurance	Page 21
	Grant Management Should Include Monitoring	Page 22
	Verify Compliance With Documentation	Page 22
	Site Visits Could Provide First-Hand Knowledge	Page 23
	Periodic Review of Contract Files Could	
	Ensure Compliance	Page 24
	Summary	Page 25
Agency Response	Department of Public Health and Human Services	Page 29
Appendix A	Map of Domestic Violence Programs	Page A-1

Tables

Table 1	Appropriations to the Domestic Violence Program Fiscal Years 1995-96 through 1999-00	Page 6
Table 2	Domestic Violence Grant Awards Fiscal Years 1996-97 through 1998-99	Page 8
Table 3	Grant Awards to Local Programs Fiscal Year 1999-2000	Page 12

Appointed and Administrative Officials

Department of Public Health and Human Services

Laurie Ekanger, Director

Chuck Hunter, Administrator, Child and Family Services Division

Shirley Brown, Chief, Program Bureau

Bette Hall, Program Officer

Introduction

The Legislative Audit Committee requested a performance audit of the state's Domestic Violence Program. The program is located in the Program Bureau of the Child and Family Services Division within the Department of Public Health and Human Services (DPHHS).

This performance audit examined the Domestic Violence Program's operations. The objectives of audit work were to:

1. Assess the program's operations and evaluate procedures used for program management and for monitoring the programs receiving grant awards.
2. Evaluate program operations for compliance with statutes and administrative rules and determine if statutes and rules provide sufficient guidance to local programs.
3. Identify the role of other state agencies and nonprofit programs and determine their involvement with the administration and funding of the local programs.
4. Determine the effect of increased federal and state funding on the grants awarded local programs.

Background

The mission of the state Domestic Violence Program is to award and manage grants to local Domestic Violence Programs. The 1979 Legislature enacted the originating statute that created the Domestic Violence Program. Title 52, chapter 6, part 1, MCA, gave DPHHS the authority to allocate federal grant money and state appropriations to battered spouses and domestic violence programs. The primary source of funding for the Domestic Violence Program at inception was marriage license fees. These fees continue to be collected, but the primary source shifted to federal funding in 1986.

Chapter 484, enacted by the 1997 Legislature, established an additional funding source for the Domestic Violence Program. Section 40-15-110, MCA, provides DPHHS with the authority to distribute money generated from fees for filing petitions of dissolution of marriage and petitions for legal separation to agencies that provide direct services to victims of partner or family member assault.

Report Summary

The state program manager applies for federal grant funds on an annual basis. Federal funding is based on the population of the state. Until fiscal year 1997-98, federal funding for Montana was approximately \$200,000. Since then, Montana's federal grant increased to approximately \$400,000. Between fiscal years 1995-96 and 1999-00, general fund appropriations were approximately \$146,000. State special revenue of approximately \$127,000 was added to the Domestic Violence Program during fiscal year 1997-98. The increased federal and state special revenue funding allowed for the addition of five new programs and increased grant awards for existing programs.

Grants to Local Programs

Domestic violence grants are awarded by the state program to nonprofit organizations on an annual basis. The grant solicitation process begins with a request for proposal advertised in local newspapers and sent to all funded programs. Upon the receipt of a grant application, a selection committee reviews the applications. The selection committee is made up of individuals representing the Montana Board of Crime Control, the Sexual Assault Program, the Montana Coalition Against Domestic Violence and Sexual Assault (the Coalition) and the Domestic Violence Program manager.

The following table lists the total amount of grant awards by the Domestic Violence Program for fiscal years 1996-97 through 1999-00.

Domestic Violence Grant Awards

Fiscal Year 1996-97	\$334,000
Fiscal Year 1997-98	\$674,017
Fiscal Year 1998-99	\$651,705
Fiscal Year 1999-2000	\$684,000

In addition to the state Domestic Violence Program, local domestic violence programs can apply for grants from the Montana Board of Crime Control, the Sexual Assault Grant Program, and national organizations. Local programs also receive financial support from their local communities.

The Coalition also provides assistance to local domestic violence programs. The Coalition receives direct federal funding that is

designed to provide technical assistance, resource development, and training to the local programs.

Local programs operate independently from one another, yet provide similar services. Examples of services provided included crisis hotline, crisis counseling, shelter or safe-home accommodations, and transportation. Local programs reported they served approximately 10,600 victims during fiscal year 1998-99. For this same time-period, local programs provided the following services to victims.

- < Receipt of 9,300 hotline calls.
- < Crisis counseling for 9,400 victims.
- < Safe housing for 2,700 victims and dependents.
- < Transportation costs for 4,800 victims and dependents.

Administration and Monitoring of Grants

Assessment of the state Domestic Violence Program's operations included an evaluation of the procedures and processes used by the department to solicit and award grants to local domestic violence programs. In addition, we evaluated the department's method for administering and monitoring the awarded grants.

The following are the findings of completed audit work:

1. Overall, the solicitation, award, and data-gathering activities completed by the state Domestic Violence Program appear sufficient to meet the needs of the program.
2. Comparison of two statutes (Battered Spouses Grant Programs and Partner and Family Member Assault Intervention and Treatment Fund Account) associated with the Domestic Violence Program found grants made to the Coalition do not comply with statutes. *We recommend the department ensure compliance with statutory requirements when awarding domestic violence grants.*
3. During the application and award processes the department does not differentiate between the two statutes to consider eligibility or use criteria. *We recommend the department either: develop rules and administrative procedures that comply with both statutes; or seek amendments that incorporate eligibility and use criteria of both statutes.*

Report Summary

4. Licensure requirements designed to protect staff and clients of domestic violence shelters are not met by most shelters. *We recommend the department: examine current rules to ensure the safety and health requirements meet the needs of the Domestic Violence Program; and ensure the shelters meet the requirements as defined in rules.*
5. General liability insurance is required by the grant contract; however, most program directors interviewed indicate confusion with the requirement. Some local programs have dropped coverage; other local programs have purchased more than general liability coverage to comply with the grant contract. *We recommend the department review contract wording relating to insurance requirements to ensure the requirements accurately reflect the needs of the Domestic Violence Program.*
6. We found a need for additional monitoring of grant recipients. Active monitoring helps grant recipients achieve goals and objectives, meet deadlines, stay within established budgets, maintain records, meet reporting requirements, and communicate project results. Examples of monitoring procedures include:
 - < Ensuring local programs provide support documentation,
 - < Ensuring site visits are completed, and
 - < Completing periodic reviews of grant files.

These procedures would help provide a minimum level of department oversight of the operations of the funded programs. *We recommend the department develop monitoring procedures to ensure local programs submit appropriate documentation and funded programs comply with federal and state requirements.*

Chapter I - Introduction

Introduction

The Legislative Audit Committee requested a performance audit of the state's Domestic Violence Program. The program is located in the Program Bureau of the Child and Family Services Division within the Department of Public Health and Human Services (DPHHS). The program is responsible for awarding grants from federal and state funds to private, nonprofit organizations. These organizations provide safety, protection, and services to victims of domestic violence and their dependents.

Audit Objectives

This performance audit examined the program's functions. The objectives of this audit were to:

1. Assess the state program's operations and evaluate procedures used to manage the state program and monitor the programs receiving grant awards.
2. Evaluate program operations for compliance with statutes and administrative rules and determine if statutes and rules provide sufficient guidance to local programs.
3. Identify the role of other state agencies and nonprofit programs and determine their involvement with administration and funding of the local programs.
4. Determine the effect of increased federal and state funding on the grants awarded local programs.

Audit Scope

To establish an understanding of the state Domestic Violence Program, we researched a variety of documents, including federal regulations, state statutes, and administrative rules. We interviewed department staff and management and local program staff, and we reviewed and verified protocols used by management at the state level.

Local Programs

To assess the administration and operations of programs receiving grant awards, we traveled to 4 of 24 programs. We interviewed program directors, toured the facilities, and reviewed documentation maintained by the programs. We interviewed six additional program directors by telephone. We reviewed contract files maintained by the state program for the ten selected programs. We reviewed each program's grant proposal and corresponding contracts and compared elements of each with federal and state requirements. We examined the budget draw

Chapter I - Introduction

requests submitted by the programs. We compared the draws with the original budget request to ensure disbursements were consistent with the approved budget. We reviewed quarterly progress reports submitted by the programs to ensure consistency with the original grant proposal.

Grant Contract File Review

Through our review of contract documents at the state level, we were able to compile data on grant awards to local programs for fiscal years 1996-97 through 1999-00. We used this information to assess the effect of increased federal and state funding in fiscal years 1997-98 and 1998-99.

We gathered statistical information reported by the local programs for the fiscal year 1998-99 funding year by reviewing grant contract files. In addition, we gathered data on type of services provided by the local program for the same time period.

Program Management, Administration, and Monitoring

We assessed the process used by department staff to ensure grantees provide the necessary documentation to verify compliance with regulations and the contract. We reviewed grant contract files to determine if required documentation was maintained in the contract files.

We interviewed local program directors and collected information from other programs that provide funding or services to local domestic violence programs. Programs contacted include:

- < Montana Board of Crime Control within the Department of Justice.
- < Sexual Assault and Intervention Program within DPHHS.
- < The legal assistance fund for indigent victims of domestic violence at the Supreme Court.
- < Montana Coalition Against Domestic Violence and Sexual Assault.

It appears from our review there is minimal overlap between the programs although there is a commonality of awarding grants to local domestic violence programs. We noted reasonable communication between the state Domestic Violence Program and these programs. For

Chapter I - Introduction

example, program directors from the Montana Board of Crime Control, the Sexual Assault and Intervention Program and the Montana Coalition Against Domestic Violence and Sexual Assault sit on the selection committee for awarding grants to local programs. We did not audit these programs, but gathered information to include in this report.

Compliance

Audit work identified compliance issues associated with statutes and administrative rules that are discussed in Chapter III.

Management Memorandum

We identified an issue during the audit that warranted management attention. We presented the following suggestion to the department.

Shelter and Safe Home Fire Insurance - Shelters and safe homes are facilities used by local programs to provide short-term housing for victims of domestic violence. Administrative Rules require local programs ensure safe homes have fire insurance. However, shelters are not required by rule to have fire insurance. Shelters and safe homes provide essentially the same service, yet requirements for fire insurance are inconsistent. We suggested the department establish insurance requirements that accurately reflect the needs of the Domestic Violence Program.

Report Organization

This report is organized into three chapters. Chapter II provides an overview of the Domestic Violence Program. Chapter III outlines recommendations for improvement to program administration and monitoring of grant awards.

Chapter II - Background

Introduction

The mission of the state Domestic Violence Program is to award and manage grants to local programs that provide safety and protection to victims of domestic violence and their dependents. This chapter provides an overview of Montana's Domestic Violence Program. It includes:

- < Statutory evolution of domestic violence programs and appropriation authority given the state program.
- < The process for awarding grants to local programs.
- < Changes in grants awarded to local programs during fiscal years 1996-97 through 1998-99.
- < Involvement of other state and nonprofit agencies in the funding and operations of domestic violence programs.
- < Services provided by local programs.

Background

The 1979 Legislature enacted the Battered Spouses Grant Programs, Title 52, chapter 6, part 1, MCA. These statutes give the Department of Public Health and Human Services (DPHHS) the authority to allocate federal grants and state moneys to battered spouses and domestic violence programs. The primary source of funding for the Domestic Violence Program when it started was marriage license fees. These fees continue to be collected, but the primary source of funding shifted to federal funding in 1986.

The 1997 Legislature enacted Chapter 484 which established an additional funding source for domestic violence programs. This legislation, codified as section 40-15-110, MCA, provided DPHHS with authority to distribute money from a state Special Revenue account to agencies providing direct services to victims of partner or family member assault. Revenue is generated from a portion of fees for filing petitions of dissolution of marriage and petitions for legal separation.

The Domestic Violence Program manager annually applies for a federal grant award to be used for family violence prevention and services. Federal funding is based on population. The federal government

Chapter II - Background

increased its allotment to Montana in 1998 from \$200,000 to \$400,000 per year to support domestic violence programs statewide. The following table provides appropriation levels for the Domestic Violence Program for fiscal years 1995-96 through 1999-00.

Table 1
Appropriations to the Domestic Violence Program
Fiscal Years 1995-96 through 1999-00

	1995-96	1996-97	1997-98	1998-99	1999-00
Federal Special	\$195,558	\$195,555	\$395,854	\$395,854	\$412,197
State Special	0	0	126,600	126,600	148,123
General Fund	146,406	146,409	146,010	146,010	142,924
Total	\$341,964	\$341,964	\$668,464	\$668,464	\$703,244

Source: **Compiled by the Legislative Audit Division from Legislative Fiscal Division Fiscal Reports.**

Regulations and statute allow for no more than five percent of the appropriated funds to be used for state administrative costs. DPHHS dedicated one-third of a full-time equivalent position to manage the program. Personal services and operational costs are paid from the General Fund. DPHHS uses the allowable administrative funds for training, travel, and additional awards to local programs.

Domestic Violence Grant Awards to Local Programs

DPHHS awards grants to local programs annually. The grant solicitation process begins with a request for proposal (RFP) issued by DPHHS. Programs submit grant proposals for review by a grant selection committee. The grant selection committee is comprised of individuals from a variety of state and local programs. For example, program managers from Montana Board of Crime Control (MBCC) at the Department of Justice and the Sexual Assault program in DPHHS participate in the award process. In addition, a representative from the Montana Coalition Against Domestic Violence and Sexual Assault is involved in the grant award process. Both MBCC and the Sexual Assault program are additional funding sources for the local programs.

Page 9 of this report provides more information on these funding sources.

Upon acceptance and approval of the grant proposals, the department develops contracts between the state and the funded programs. According to department fiscal staff, each grant is awarded using a distribution of 60 percent federal funds, 20 percent state General Fund, and 20 percent state Special Revenue (marriage dissolution and separation fees). Local programs are reimbursed with grants funds, based upon the approved budget submitted during the RFP process. Grant dollars are distributed either monthly or quarterly, depending on the needs of the funded program. The federal grant does not require state matching funds. However, federal regulations stipulate that match is required of the local programs.

Domestic Violence Grant Awards for Fiscal Years 1995-96 through 1998-99

We compiled the grant amounts awarded to programs for fiscal years 1996-97 through 1998-99 to show the effect of the increased funding from the federal government and state Special Revenue on local programs. Increased funding for fiscal years 1997-98 and 1998-99 allowed for the addition of five new programs and increased grant awards for existing programs. The following table provides the grant awards to local programs by the Domestic Violence Program and the percentage of increase or decrease.

Chapter II - Background

Table 2
Domestic Violence Grant Awards
Fiscal Years 1996-97 through 1998-99

Location	Agency	Fiscal Year 1996-97	Fiscal Year 1997-98	Fiscal Year 1998-99	Percent FY 97 to FY 99
Anaconda	Anaconda PCA	\$ 9,000	\$ 21,575	\$ 24,000	167%
Billings	YWCA Gateway House	26,000	52,950	47,000	81%
Bozeman	Battered Women's Network	26,000	37,500	39,000	50%
Browning	Blackfeet Nation		20,000		New 97-98
Butte	Safe Space	19,000	32,460	29,000	53%
Conrad	Hi Line Help	15,000	40,450	35,000	133%
Crow Agency	Crow Indian Reservation			2,500	New 98-99
Dillon	Women's Resource	19,000	31,261	24,000	26%
Glasgow	Women's Resource			28,000	New 98-99
Glendive	Dawson Co. Spouse Abuse	9,000	11,824	11,850	32%
Great Falls	YWCA-Mercy Home	24,000	43,582	39,878	66%
Hamilton	SAFE	14,000	31,250	27,000	93%
Havre	District IV Human Services	19,000	33,950	31,506	66%
Helena	Montana Coalition		5,000	38,580	New 97-98
Helena	Friendship Center	17,000	28,075	25,000	47%
Kalispell	Violence Free Crisis Line	23,000	44,200	39,000	70%
Lewistown	SAVES	12,000	32,950	27,000	125%
Libby	Lincoln Co. Women's Help Line	19,000	45,450	35,000	84%
Miles City	Custer Network	12,000	39,325	35,000	192%
Missoula	Missoula Co. DV Program	26,000	34,888	31,316	20%
Polson	Family Crisis Center	16,000	17,500	18,500	16%
Plentywood	Crisis Center	4,500			n/a
Ronan	Safe Harbour		25,000	17,350	New 97-98
Sidney	Richland County Coalition	8,500	10,015	20,000	135%
Superior	Mineral County Help Line	10,000	11,720	5,000	-50%
Thomspson	Sanders County Coalition	6,000	23,092	21,225	254%
Total Funds Distributed by DV Program		\$334,000	\$674,017	\$651,705	95%

Source: Compiled by the Legislative Audit Division from DPHHS records.

Appendix A of this report provides a map identifying the locations of the 23 local domestic violence programs providing services such as shelters and safe homes to victims.

Montana Coalition Against Domestic Violence and Sexual Assault

The Montana Coalition Against Domestic Violence and Sexual Assault (the Coalition) is a nonprofit organization that provides support to local domestic violence programs. The Coalition was founded in 1982. The Coalition is controlled by a board with members from across the state. The Coalition established its mission as uniting the family violence programs of Montana; increasing communication regarding central concerns and issues; and establishing a standard for delivering services. The Coalition receives direct federal funding from the Family Violence Prevention and Services Act to provide technical assistance, resource development, and training to local domestic violence programs. Federal statute defines state coalitions as an essential resource for state programs. For example, federal regulations request the state program involve state domestic violence coalitions in the distribution of grants and allows for the participation of the state coalitions in planning and monitoring the expenditure of grant funds. Federal statute further provides an overview of the role state coalitions may play in domestic violence intervention and prevention.

Additional Funding Sources

The Montana Board of Crime Control (MBCC) at the Department of Justice, and the Sexual Assault Program at DPHHS, also have grants available for local programs.

The Montana Board of Crime Control

Local programs can apply for funding from the Montana Board of Crime Control. MBCC solicits proposals for funding programs from the federal Stop Violence Against Women Act (VAWA) and the federal Victims Assistance Grant Program, Victims of Crime Act (VOCA).

The purpose of the VAWA grant funds is to focus resources on restructuring and strengthening the criminal justice response to women who have been or potentially could be victimized by violence. Priority project activities include the following:

- < Statewide, 24-hour crisis hotline for domestic violence and sexual assault.

Chapter II - Background

- < Developing or strengthening victim service programs, particularly domestic violence and sexual assault programs.
- < Developing or expanding victim/witness programs within or outside of local agencies.
- < Combating violence against women through preventive efforts.

The purpose for the VOCA program is:

- < To provide direct assistance to victims of crime as soon as possible after the crime occurs in order to reduce the severity of the consequences of the victimization.
- < To improve the victim's willingness to cooperate with the justice process.
- < To restore the victim's faith in the criminal justice system.

Examples of services provided for by VOCA grants include:

- < Crisis intervention.
- < Emergency services such as shelter, transportation, and food.
- < Support services such as follow-up counseling, personal or legal advocacy, and referral to other service agencies.
- < Court-related services such as legal advocacy, and emotional support during a trial and parole/probation hearings.
- < Recruitment, training, and coordination of volunteers who provide direct services to victims.
- < Personal advocacy such as intervention with employers.
- < Restitution advocacy.
- < Victim impact panels.

Administrative, clerical, and indirect services expenses cannot be paid for with VOCA grant funds.

Sexual Assault Grant Program

Another source of grant awards for local programs are Sexual Assault grants administered by DPHHS. These grants are federal moneys from the Preventive Health and Health Services Block Grants issued by the National Centers for Disease Control and Prevention. The targeted population to be served is primarily those who are sexually assaulted.

Requirements for the sexual assault prevention funding is that 25 percent of the funds must be devoted to education programs targeted for middle school, junior high school, and high school students. Allowable expenditures for these funds include maintaining and operating a 24-hour answering service; support services to survivors of sexual assault; volunteer training; and the preparation, purchase, and presentation of sexual assault prevention educational programs.

Current Local Programs and Grant Awards

The following table represents grant awards to local programs receiving grants from the state Domestic Violence Program, Sexual Assault Program, and the Montana Board of Crime Control for the 1999-2000 fiscal year.

Chapter II - Background

Table 3
Grant Awards to Local Programs
Fiscal Year 1999-2000

Location	Agency	Domestic Violence	Sexual Assault	Montana Board of Crime Control		Total Funding
				VOCA	VAWA	
Anaconda	Anaconda PCA	\$ 15,000		\$ 18,015		\$ 33,015
Billings	YWCA Gateway House	42,000	\$ 16,700	90,835	\$ 27,661	177,196
Bozeman	Battered Women's Network	32,000		53,366	92,577	177,943
Butte	Butte Safe Space	33,476	7,200	36,500	29,500	106,676
Conrad	Hi Lines Help	30,000	8,850	35,510		74,360
Dillon	Women's Resource Center	28,667	4,000	49,363		82,030
Glasgow	Women's Resource Center	30,000	5,820			35,820
Glendive	Dawson Co. Spouse Abuse	26,283	8,510	16,076	3,991	54,860
Great Falls	YWCA-Mercy Home	32,000	14,230	55,771		102,001
Hamilton	SAFE	30,000	8,500	65,494		103,994
Havre	District IV Human Services	30,000	5,300	55,427		90,727
Helena	Montana Coalition	29,301	18,600			47,901
Helena	Friendship Center	32,000	12,100	62,709	54,500	161,309
Kalispell	Violence Free Crisis Line	32,000	12,970	46,448		91,418
Lewistown	SAVES	30,000	5,050	57,217		92,267
Libby	Lincoln Co. Women's Help Line	30,000	2,100	45,101	12,700	89,901
Malta	Phillips County Domestic Violence	10,000				10,000
Miles City	Custer Network	30,000		24,000		54,000
Missoula	Missoula Co. Domestic Violence	36,362		37,049	24,378	97,789
Polson	Family Crisis Center	25,000		41,398		66,398
Ronan	Safe Harbour	25,000				25,000
Sidney	Richland County Coalition	21,988		10,352		32,340
Superior	Mineral County Help Line	23,348				23,348
Thompson Falls	Sanders County Coalition	29,575	8,840	40,611		79,026
Total Funding Distributed		\$684,000	\$138,770	\$841,242	\$245,307	\$1,909,319

Source: Compiled by the Legislative Audit Division from DPHHS and MBCC records.

Other Financial Support for Local Programs

Local programs also receive financial support from their local communities and fund raising. These funds are primarily used by the local programs to fulfill any matching requirements of the grants. Eligible programs can receive funding from national organizations such as United Way and can apply for grants from private corporations.

Services Provided by Local Programs

Although local programs operate independently from one another, they provide similar services. Examples of services provided include crisis hotline, crisis counseling, shelter or safe-home accommodations, and transportation.

The following are the number of services provided to domestic violence victims and their dependents as reported by all local programs for fiscal year 1998-99.

- < Receipt of approximately 9,300 hotline calls.
- < Provide crisis counseling to approximately 9,400 victims.
- < Provided safe housing for approximately 2,700 victims and their dependents.
- < Provided transportation costs for approximately 4,800 victims and their dependents.

The total number of victims served by the local programs for fiscal year 1998-99 was approximately 10,600.

Other Funding for Victims

The 1999 Legislature enacted Chapter 386 (codified in section 3-2-714, MCA), which established an account to fund legal assistance for indigent victims of domestic violence. This program was placed under the direction of the Supreme Court. According to Judiciary staff the account exists and there is a revenue source; however, no legislative appropriation authority was given. Judiciary plans to request appropriation authority from the 2001 Legislature.

Chapter III - Administration and Monitoring of Grants

Introduction

Our assessment of the state Domestic Violence Program's operations included an evaluation of the procedures used by the department to solicit and award grants to local domestic violence programs throughout the state of Montana. Domestic violence grants are awarded by the state program to nonprofit organizations on an annual basis. The grant solicitation process begins with a request for proposal (RFP) advertised in local newspapers. The RFP is also sent to all funded programs. Upon receipt of the completed grant proposals, a selection committee, made up of individuals representing the Montana Coalition Against Domestic and Sexual Violence, Montana Board of Crime Control, Sexual Assault Program and other members of the division, reviews the proposals.

Audit work included a review of how statistics are gathered and reported by the local programs. During fiscal year 2000-01, the state Domestic Violence Program, in conjunction with the Board of Crime Control, began the implementation of an on-line information system to compile statistics. Examples of data the system will gather include individuals served, gender, and services provided. The system will be used by all local programs funded by the state.

Our overall assessment of the grant solicitation process, the awarding of grants, and data gathering activities completed by the state Domestic Violence Program identified process that appeared sufficient to meet the needs of the program. This chapter outlines several areas where improvements could be made to the administration and monitoring of grants.

Statutes and Administration of the Domestic Violence Program

Title 52, chapter 6, part 1, MCA (Battered Spouses Grant Programs), and Title 40, chapter 15, part 1, MCA (Partner and Family Member Assault Intervention and Treatment Fund Account), provide the foundation for the Domestic Violence Program. To assess compliance, we compared both of these statutes with the criteria used by the state program to award grants.

Chapter III -Administration and Monitoring of Grants

Grants Made to Coalition Do Not Comply With Statute

In addition to awarding grants to local programs, the state Domestic Violence Program awarded grants to the Montana Coalition Against Domestic and Sexual Violence (Coalition). Although the Coalition's primary source of funding is through direct federal grants, it has applied for and received funding from the state Domestic Violence Program for the past three funding cycles, 1997-98, 1998-99 and 1999-00. The grant application and grant award process was the same for the Coalition and the local domestic violence programs. The main emphasis of past Coalition grants was to plan and implement Child Advocacy Projects for the local programs. Although the work accomplished by the Coalitions is defined as an essential resource for state programs by federal requirements, audit work identified grants made to the Coalition by the state program are in noncompliance with statutory criteria.

Section 52-6-103, MCA, defines award criteria for the Battered Spouses Grant Programs. This law states: "The department of public health and human services shall award battered spouses and domestic violence grants only to local partner or family member assault programs that are locally controlled."

Section 40-15-110(2), MCA (Partner and Family Member Assault statute), further defines the department's authority for distribution of money to agencies that provide direct services to victims. This law states: "The department shall distribute the money in the account, as provided in subsection (3), to agencies that provide direct services to victims of partner or family member assault, including but not limited to shelters, crisis lines, safe homes, and victim's counseling providers."

The Coalition is not a "local program that is locally controlled." It is a nonprofit organization controlled by a board of directors with members from throughout the state. In addition, the grants awarded to the Coalition were not designed to provide direct services to victims. They were intended to provide training to local programs that would ultimately provide services to victims.

The department decided it will no longer include the Coalition in the RFP process. The department has set aside federal funds and will enter

Chapter III - Administration and Monitoring of Grants

into contracts for future services with the Coalition using only federal funds.

Recommendation #1

We recommend the department ensure compliance with statutory requirements when awarding domestic violence grants.

Statutory Differences Are Not Reflected in Rules or in Administrative Practices

After passage of the Battered Spouses statute in 1979, the department established administrative rules and administrative practices. The department did not modify its practices or rules to incorporate the 1997 Partner and Family Member Assault Intervention and Treatment Fund Account statute which contains differences in eligibility criteria and allowable uses of grant funds.

The Battered Spouses Grant Programs statute does not limit the type of services a local funded program can provide. Allowable services include direct services to victims but also allows other services such as: “. . . educational programs relating to battered spouses and domestic violence designed for both the community at large and specialized groups such as hospital personnel and law enforcement officials” (section 52-6-104(1)(d), MCA). The Partner and Family Member Assault Intervention and Treatment Fund Account statute on the other hand, limits the department’s authority “. . . to fund services to victims of partner or family member assault . . .” (section 40-15-110(1), MCA).

Award eligibility is another area where the two statutes have some differences. The Battered Spouses Grant Programs statute (section 52-6-103(2), MCA) identifies that grants are to be awarded based on:

- < Demonstrated need;
- < Project merit;
- < Administrative design; and
- < Efficiency of administration.

Chapter III -Administration and Monitoring of Grants

The Partner and Family Member Assault Intervention and Treatment Fund Account statute (section 40-15-110(3), MCA) adds other eligibility criteria not specified in the Battered Spouses statute. These criteria include:

- < The quality of services provided by the provider.
- < Whether the provider includes programs focused on prevention of partner and family member assault.

Currently when a grant is made to a local program, each grant award is accounted for by using 60 percent federal funds, 20 percent state General Fund and 20 percent state Special Revenue. The funding sources under the Battered Spouses statute are federal funds and the state General Fund. The funding source established by the Partner and Family Assault statute is state Special Revenue. At no time during the application or award process does the department differentiate between the two statutes to consider the different eligibility or use criteria. For example, it does not require grant applicants to separate budget requests based upon the different funding sources, nor does it award funds by the different funding sources. If a local program is funded based upon eligibility and use criteria as outlined in the Battered Spouses Grant Programs, the grant distribution should include only federal funds and state General Fund moneys.

Although the grant award and fund allocation processes currently used by the department appears efficient, it does not comply with both statutes because the eligibility and use criteria in statutes differ.

Based upon our audit findings, the department has two options to address this audit concern. The department can continue to operate under the existing statutes and as a single program, but should develop rules and administrative practices that accommodate the differences. Another option would be for the department to seek amendments to the existing statutes to make the eligibility and use criteria the same under both statutes.

Chapter III - Administration and Monitoring of Grants

Recommendation #2

We recommend the department either:

- A. Develop rules and administrative procedures that comply with both the 1979 and 1997 Domestic Violence Program statutes; or**
- B. Seek amendments to program statutes to incorporate eligibility and use criteria for both the Battered Spouses Grant Programs and the Partner and Family Member Assault Intervention and Treatment Fund Account.**

Difficulties Meeting Requirements

The department developed licensure requirements designed to protect the staff and clients of the domestic violence programs. One of the requirements is for shelters to have a rooming house license. Another requirement is for the local programs to obtain liability insurance. We found local programs are experiencing difficulty meeting both of these requirements. The following two sections discuss these issues and present our recommendations.

Licensure of Shelters

As a condition of funding, administrative rules require programs with shelters to have a rooming house license issued by the Food and Consumer Safety Section, DPHHS. Section 50-51-101, MCA, defines the purpose of the rooming house licensure is to prevent or eliminate unsanitary and unhealthful conditions and practices. Only one of the eight programs with shelters we contacted has the license. The license was issued when the shelter was at a different location at least 15 years ago. A new license was issued each year upon submission of the renewal fees; however, no inspections of the facility were completed. Our discussion with the public health inspector for the county indicated confusion with the licensure and inspection requirements for shelters.

Section 50-51-102(8), MCA, defines a rooming house as
“. . . buildings in which separate sleeping rooms are rented that provide sleeping accommodations for three or more persons. . .” This

Chapter III -Administration and Monitoring of Grants

definition may be the cause for some of the licensure confusion as shelters do not rent rooms; rather, they provide shelter to victims of domestic violence and their dependants at no cost.

According to local program directors interviewed, the licensure issue was discussed with department officials during the last year, but no action was taken. According to the program manager, time limitation was the cause for not acting on the licensure issue.

The department established rules requiring shelters have a “rooming house” license. A provision of the licensure is designed to prevent or eliminate unsanitary and unhealthful conditions that may endanger public health. To avoid the current confusion and lack of licensed shelters, the department should reexamine the safety requirements necessary for shelters and ensure the established requirements are met by all domestic violence shelters.

Recommendation #3

We recommend the department:

- A. Examine current rules to ensure the safety and health requirements meet the needs of the Domestic Violence Program.**
- B. Ensure domestic violence shelters meet the requirements as defined in rules.**

General Liability Insurance

General liability insurance is required by the grant contract. Some funded programs do not have the liability coverage as required. According to the contract, the general liability coverage must include the following protection:

- < Claims arising out of contractual liability.
- < The delivery of services and omissions in the delivery of services.
- < Bodily and personal injury to persons and property damage.

Chapter III - Administration and Monitoring of Grants

- < The provision of goods or rights to intellectual property.
- < Any other liabilities that may arise in the provision of services under the contract.
- < Coverage for claims caused “. . . by any act, omission, or negligence of the Contractor and/or its officers, agents, employees, representative, assigns or subcontractors.”
- < Liability coverage to include “. . . the State, its officers, officials, agents, employees, and volunteers, for liability arising out of activities performed by or on behalf of the Contractor.”

The contract also specifies the single, combined and aggregate limits of the policy.

Program directors interviewed indicated confusion with the coverage specifications as defined by the contract and the term “general liability coverage.” Most general liability insurance policies do not provide all the coverage as required by the contract. One program director and the program’s local board decided to purchase professional liability insurance in addition to a general liability plan to ensure they have the coverage as outlined by the contract. Another program dropped the general liability coverage due to the cost of the plan.

Department staff said inclusion of the general liability insurance requirement was a result of boilerplate language developed by the department.

The current contract language related to liability coverage is broader than what is traditionally known as general liability coverage.

The department should review the insurance coverage requirements designed to protect facilities, grantee staff, volunteers, clients, and the state to determine if the required coverage is reasonable and available to all funded programs.

Chapter III -Administration and Monitoring of Grants

Recommendation #4

We recommend the department review contract wording relating to insurance requirements to ensure the requirements accurately reflect the needs of the Domestic Violence Program.

Grant Management Should Include Monitoring

The department should ensure all funded programs operate within established regulations. Section 37.47.1005(9), ARM, specifies the department will monitor awarded grants. Monitoring procedures help grant recipients achieve goals and objectives, meet deadlines, stay within established budgets, maintain records, meet reporting requirements, and communicate project results. The following are specific examples of monitoring procedures that should be implemented by the state Domestic Violence Program.

Verify Compliance With Documentation

Appropriate documentation helps ensure grant recipients comply with federal regulations, Administrative Rules, and contract requirements. Accurate, reliable documentation helps ensure department staff can readily determine the status of the grants and accurately understand the history associated with each grant. Effective grant monitoring includes requiring sufficient documentation that can be used to give a level of reliance of the funded programs' operations.

We looked at ten contract files. The following are examples of documentation missing from the files.

- < Insurance, such as fire and liability coverage, is required by the grant contracts. Of the ten contract files we reviewed, no files contained documentation of any insurance coverage.
- < The grant contract requires funded programs ensure staff and volunteers transporting clients have automobile liability insurance coverage. However, the ten contract files we reviewed did not contain documentation verifying this requirement.
- < When programs enter into subcontracts using domestic violence grant funds, the contract requires that a copy of the subcontract be

Chapter III - Administration and Monitoring of Grants

sent to the department for approval and be maintained in the contract files. The contract further requires verification the subcontract was reviewed and approved by the department. In four files with subcontracts identified in the program's budgets, there was no verification of departmental approval or copies of the subcontract in the contract files.

- < Annual reports are required from the funded programs after the fund cycle year. When compiling statistics for the 1999 grant cycle, we found 6 of the 24 contract files did not contain annual reports. The department does not have a process to ensure annual reports are submitted by the funded programs as required in the grant contract.
- < Federal statute requires DPHHS to ensure an accurate, current, and complete disclosure of the financial status of the recipients of the federal funds. One of the ten program files we reviewed contained the program's financial report. Financial reports contain information such as a statement of the organization's financial position, statement of revenues and expenditures, and a statement of cash flow for the program.

Site Visits Could Provide First-Hand Knowledge

On-site visits provide first-hand knowledge of how a project is operating. Federal regulations and state rules suggest the department should conduct site visits of funded programs. Of the six program directors interviewed, three said the department program manager visited their programs approximately two or three years ago. No formal evaluations of the programs were completed and the visits were not documented in the contract files.

With 24 grants, visiting eight to twelve funded programs per year would provide some feedback. It is important that each visit is documented and copies of appraisal documents used for testing during the on-site review are included in the contract file. A checklist evaluation tool could provide the documentation of visits and testing used. The program manager said that on-site visits would be scheduled when time permits.

Chapter III -Administration and Monitoring of Grants

Periodic Review of Contract Files Could Ensure Compliance

Periodic reviews of contract files is another management tool that could help ensure required documentation is received and funded programs are on track. Currently, department staff conduct an initial review of the materials required by the RFP. When documentation is substantially complete, the contract is finalized. Subsequent reviews are minimal.

Local programs are required to submit quarterly and annual progress reports. We found some of these reports were missing, and there was limited evidence of follow-up by department staff. Local programs also submit monthly or quarterly reimbursement requests. Some of these requests were also missing from the files; however, the local programs received their grant payments. We found examples where two funded programs requested help in their quarterly progress reports with gathering and reporting statistics. According to department staff, because of time limitations, sometimes requests in the progress reports are not identified or responded to.

Formal review of the contract files, even periodically, could help identify requests and potential needs of the funded programs. For example, review of the quarterly progress report could identify areas where a program may be struggling to meet grant objectives because of limited resources resulting from staff turnover. File review could further identify a program that is not requesting financial reimbursements when anticipated because they are experiencing operational difficulties. The development of a checklist could help department staff complete the desk review in an efficient and effective manner. Periodic review of the files could have identified the missing documentation we previously discussed.

Summary

Requiring local programs to submit documentation, program staff completing site visits, and periodic reviews of grant files would provide a minimum level of department oversight of the operations of funded programs. Documentation provides the evidence to help verify grantees comply with regulations and provide expected services. Site visits provide a tangible element to monitoring funded programs and provide first-hand experience of the programs' operations. Finally, periodic review of contract files provides department staff the opportunity to review the status of the funded programs and the ability to verify

Chapter III - Administration and Monitoring of Grants

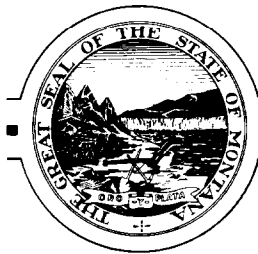
compliance with federal and state requirements. File reviews and site visits could be coordinated to best use available staff monitoring time.

Recommendation #5

We recommend the department develop monitoring procedures to ensure local programs submit appropriate documentation and funded programs comply with federal and state requirements.

Agency Response

DEPARTMENT OF
PUBLIC HEALTH AND HUMAN SERVICES



MARC RACICOT
GOVERNOR

LAURIE EKANGER
DIRECTOR

STATE OF MONTANA

(406) 444-5900
FAX (406) 444-2547: A-WING
(406) 444-5956: C-WING

CHILD & FAMILY SERVICES DIVISION
PO BOX 8005
HELENA, MONTANA 59604-8005

October 31, 2000

OCT 3 | 2000

Jim Pellegrini
Legislative Audit Division
616 Helena Avenue, Steamboat Block
P. O. Box 201705
Helena, MT 59620-1705

Dear Jim:

In response to the findings identified in the Performance Audit on the Domestic Violence Program dated November 2000, the Department of Public Health and Human Services, Child and Family Services Division, offers the following formal response.

Recommendation No. 1.

We recommend the department ensure compliance with statutory requirements when awarding domestic violence grants.

We concur. The division will no longer fund the Montana Coalition Against Domestic and Sexual Violence using a mix of state and federal funding. The coalition was not included in the grant seeking process for FY2001 as it has been in the past. Instead, the division expects to contract with the coalition to purchase training and technical assistance services for delivery to local programs. If the contract is executed, the funding source will be 100% federal.

Recommendation No. 2.

We recommend the department either:

- A. Develop rules and administrative procedures that comply with both the 1979 and 1997 Domestic Violence Program statutes; or
- B. Seek amendments to program statutes to incorporate eligibility and use criteria for both the Battered Spouses Grant Programs and the Partner and Family Member Assault Intervention and Treatment Account.

We concur. (A) The division will amend the Administrative Rules for the Domestic Violence Program. The amended rules will address the recommendations in the audit report regarding the differences in the statutory requirements for the Domestic Violence Program.

(B) The amended rules will reflect the different requirements under each statute. However, the department notes that the Legislative Audit Division identified no instances during the audit in which the department was contracting for services which were out of compliance with Montana law for any local program. Recommendation 2B appears to be preventive in nature.

Recommendation No. 3.

We recommend the department:

- A. Examine current rules to ensure the safety and health requirements meet the needs of the Domestic Violence Program.
- B. Ensure domestic violence shelters meet the requirements as defined in rules.

We concur. (A) The FY 2001 RFP addressed the issue of liability insurance, health and safety inspections and/or licenses. At the present time, the program manager is conducting on-site visits. As a part of that process, programs are being surveyed about safety and health requirements. In addition to the on-site visits, the program manager will be conducting telephone surveys to gather more feedback on this recommendation. After gathering feedback from all the programs, the program manager and management staff will decide upon the safety and health requirements that must be met by the programs. These requirements will be stated in the amended Administrative Rules. The ultimate goal will be to have the Administrative Rules amended and all documentation incorporated into the contract files. The contract language will reflect the amended requirements. The department anticipates that the Administrative Rules will be amended, contracts and contract files updated, and any substantive changes in procedure will be implemented by December 2001.

Recommendation No. 4.

We recommend the department review contract wording relating to insurance requirements to ensure the requirements accurately reflect the needs of the Domestic Violence Program.

We concur. Questions regarding liability insurance are a part of the monitoring process being conducted at the present time. As stated above, the liability insurance issue is a part of the survey, both on-site and by telephone, in order to gather the proper feedback on this recommendation. After gathering the feedback from programs, the program manager and

Jim Pellegrini
October 31, 2000
Page Three

management staff, along with the legal and contracting staff, will decide if the contract language accurately reflects the needs of the local programs and the department.

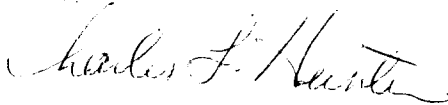
Recommendation No. 5.

We recommend the department develop monitoring procedures to ensure local programs submit appropriate documentation and funded programs comply with federal and state requirements.

We concur. An in-depth monitoring tool has been developed by the program manager and has been used to interview two programs at the date of this response. The monitoring questionnaire tests for compliance with programmatic requirements, compliance with goals and objectives found in the grant proposals and quarterly reporting, and compliance with state and federal regulations. The monitoring tool also includes general questions pertaining to operational and organizational procedures.

Thank you for the opportunity to submit our formal response to the Performance Audit of the Domestic Violence Program.

Sincerely,

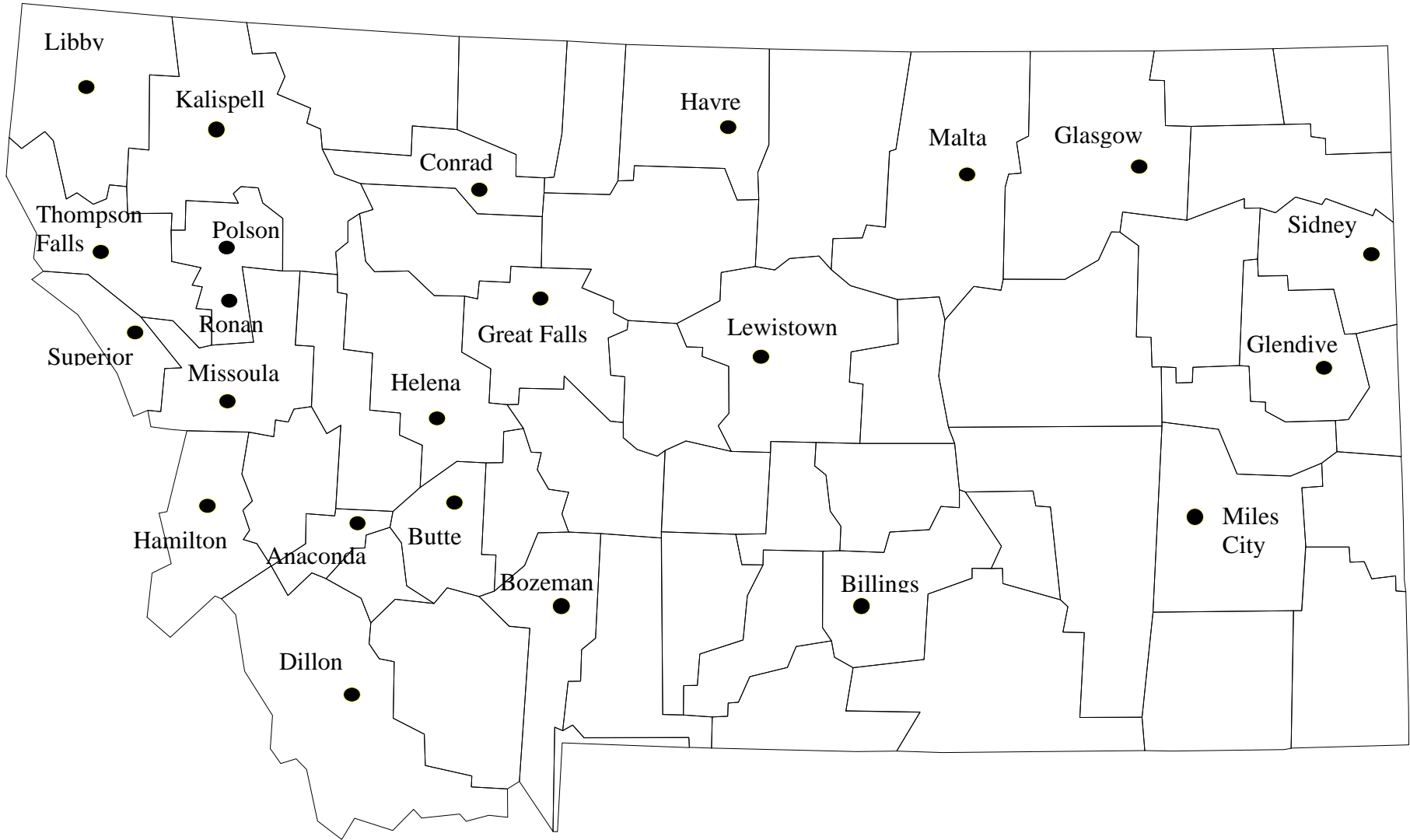


Charles L. Hunter
Division Administrator

- c. Laurie Ekanger, Director
Connie Griffith, Fiscal Policy Advisor, Operations and Technology Division
Shirley Brown, Program Bureau Chief
Bette Hall, Domestic Violence Program Officer

Appendix A

Domestic Violence Programs



Appendix A